

SRC-104

Issued September 16, 1938.

UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION

SOUTHERN DIVISION

STATE OFFICE PROCEDURE FOR DEDUCTING AMOUNTS DUE  
THE UNITED STATES FROM PAYMENTS UNDER THE 1937  
COTTON PRICE ADJUSTMENT PAYMENT PLAN

PART I. DETERMINATION OF INDEBTEDNESS TO THE AGRICULTURAL  
ADJUSTMENT ADMINISTRATION AND PURSUANT TO THE RE-  
VISED ORDER OF THE SECRETARY, DATED MARCH 5, 1938.

A. REPORTS OF INDEBTEDNESS TO THE AGRICULTURAL ADJUSTMENT ADMINISTRATION

1. There are set forth in the Register of Indebtedness (Form No. C-1110) the debts of persons owing the Government of the United States on account of indebtedness due and unpaid to the Agricultural Adjustment Administration under rental and benefit contracts. The persons indebted are listed alphabetically by counties. Revisions in the Register of Indebtedness which may be necessary by reason of collections of amounts due, additions of new names of persons found to be indebted, and for other reasons will be accomplished by the use of the Notice of Revision - Register of Indebtedness (Form No. C-1110, Supplement A). The original and two copies of Form No. C-1110, Supplement A, will be furnished the State office.

Debts arising under the 1935 Cotton Price Adjustment Payment Plan, the Ginners Compensation, or the 1936 or 1937 Agricultural Conservation Programs, are shown on the listings of indebtedness prepared in the State office as heretofore provided.

3. At the time a set-off is accomplished with respect to any indebtedness to the Agricultural Adjustment Administration, 1/ the schedule number of Standard Form No. 1096 2/ shall be entered on Form No. C-1110

1/ The fact that a set-off has been accomplished is evidenced by the return from the Disbursing Office of a copy of Standard Form No. 1096, showing the D. O. Voucher Number, the check number, and date and amount thereof, and the certificate of deposit number (C/D No.) and date thereof.

2/ See Part II, section A, paragraph 6a., infra.

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or Supplement A thereto or the listing of indebtedness prepared in the State Office to the right of the figure representing the amount owed. In the event the set-off liquidates the indebtedness, the figure representing the amount owed shall be circled. If the set-off effects only a partial liquidation of the indebtedness, the figure representing the amount originally owed shall be circled and the balance due inserted immediately above it. In cases where the indebtedness arose out of rental and benefit contracts, the reduction in or liquidation of the indebtedness must be verified in Form No. C-1110, Supplement A, before further action may be taken with respect to subsequent applications executed by the indebted person. When Form No. C-1110, Supplement A, has not been received within a reasonable time after the submission of a completed copy of the Schedule of Voucher Deductions (Standard Form No. 1096)<sup>3/</sup> to the Comptroller, Agricultural Adjustment Administration (hereinafter referred to as "Comptroller"), the Director of the Southern Division (hereinafter referred to as "Director") shall be so notified.

B. REPORTS OF INDEBTEDNESS TO AGENCIES OF THE GOVERNMENT OTHER THAN THE AGRICULTURAL ADJUSTMENT ADMINISTRATION

1. In addition to refunds due under rental and benefit contracts there are set forth on Form No. C-1110 and Form No. C-1110, Supplement A, certain debts of persons owing departments, establishments and independent agencies of the Government, or corporations, all the stock of which is owned by the United States, including any bureau of the Department of Agriculture other than the Agricultural Adjustment Administration. These amounts are reported pursuant to the Revised Order of the Secretary of Agriculture dated March 5, 1938, relative to the conditions under which debts other than those owed to the Agricultural Adjustment Administration may be set off.

2. Amounts owed to the Farm Security Administration under conditions contemplated by the Order of the Secretary will be set forth on Form No. C-1110, Supplement A.

3. Except in cases of indebtedness to the Agricultural Adjustment Administration, the debts of persons owing the United States should not be set-off against any payments which may be payable to the indebted person, unless the debt is reported to the State office on either Form No. C-1110 or Form No. C-1110, Supplement A, or the deduction is authorized by the debtor-applicant by a properly executed Form AAA-372, received in the State office, prior to the initial administration certification of the voucher.

4. In no case shall any department, independent agency, or bureau other than the Agricultural Adjustment Administration communicate with any county agent or County Agricultural Conservation Association Treasurer with a view to securing a set-off or with a view to the withholding of any check issued pursuant to the various agricultural programs which may come into his or their possession for delivery to the payee.

<sup>3/</sup> See Part II, Section A, paragraph 7c. (2), infra.



5. At the time a voucher subject to deduction is prepared and sent forward 4/ with respect to the debt of a person owing any department, independent agency or bureau other than the Agricultural Adjustment Administration or Farm Security Administration, the bureau number of the voucher subject to deduction 5/ shall be entered on Form No. C-1110 or Supplement A thereto to the right of the figure representing the amount owed. The amount of the indebtedness as shown in the last column of Form No. C-1110 shall be circled and the remaining amount due, if the deduction only partially liquidates the debt, shall be entered immediately above the circled entry. Subsequent applications executed by the indebted person shall not be certified for payment until Form No. C-1110, Supplement A, is received, indicating that an additional amount is due from the person or that the indebtedness has been liquidated. When an amount owed to the Farm Security Administration is set-off against a payment due the indebted person 6/ the action taken shall be noted as indicated in Section A, paragraph 3, *supra*. If the voucher subject to deduction is prepared pursuant to the request of the debtor-applicant on Form AAA-372, 7/ subsequent applications shall be scheduled for payment in the usual manner. Form No. C-1110, Supplement A, will not be issued by the Office of the Comptroller, Agricultural Adjustment Administration, with respect to deductions pursuant to the requests of debtor-applicants on Form No. AAA-372.

C. IDENTIFICATION OF AN APPLICANT REPORTED TO BE INDEBTED

1. When any person who is entitled to payment under the 1937 Cotton Price Adjustment Payment Plan is indebted to the United States in accordance with the foregoing, it must be determined by correspondence with the said applicant, if possible, or with the Secretary of the County Agricultural Conservation Association, or by other means, that the applicant (hereinafter referred to as "debtor-applicant") is the person reported to be indebted.

2. In certain cases, persons will no longer reside in the county in which their indebtedness is reported or will have farms located in other counties or States on which they may have qualified for payment. Secretaries of the County Agricultural Conservation Associations, therefore, should be instructed to ascertain whether or not the persons reported to be indebted in a particular county are still located therein and to furnish the State office with any additional information concerning the indebted person which may assist in the liquidation of the debt.

3. If an indebted person no longer resides in the county in which the debt is reported, the Secretary of the County Agricultural Conservation Association should attempt to ascertain his new address by writing to the indebted person or by making inquiry of his friends, neighbors, the postmaster, or other persons in a position to have knowledge of his present address and report the same to the State office.

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4/ See Part III, *infra*.

5/ See Part III, Section A, paragraph 3a., *infra*.

6/ See Part IV, *infra*.

7/ See Part III, Section D, *infra*, and Part IV, Section B, *infra*.



a. If the indebted person resides in another county within the same State, the State office should notify the county agent for the county in which he is located, of the debt and the Director should be so notified.

b. If the indebted person has moved to another State within the Southern Region, the State office should notify the Administrative Officer in Charge for the State in which the person is located, of the existence of the debt by furnishing him with the name and address of the indebted person, a description of the payment under which the refund is due, the name of the Disbursing Officer who made the payment, the Disbursing Office voucher number, the symbol and title of the appropriation to be credited with the refund, and the amount due. Notice of the changed address should be given the Director.

c. If the indebted person has moved to a State not within the Southern Region, the State office should advise the Director of all of the circumstances of the debt and of the new address of the indebted person as indicated in sub-paragraph 6., supra, in order that the appropriate Division of the Agricultural Adjustment Administration may be notified.

#### D. DETERMINATION OF THE AMOUNT OWED

1. The amount of the refund due from persons indebted to the Agricultural Adjustment Administration under rental and benefit contracts as set forth on Form No. C-1110 together with other information necessary in certifying the debtor-applicant's payment subject to deduction for the debt has been certified to be correct by the Comptroller. <sup>8/</sup> Revisions in Forms No. C-1110 including indebtedness to the Farm Security Administration will be certified to be correct by the Comptroller in Forms No. C-1110, Supplement A.

2. The running of interest on debts coming within contemplation of the Secretary's Revised Order dated March 5, 1938, is stopped for the purpose of set-off as of the date request for set-off is received by the Agricultural Adjustment Administration. The amount listed on Form No. C-1110 or Form No. C-1110, Supplement A, will, therefore, be the exact amount which is to be properly set-off in accordance with Part III hereof.

3. The amounts of the refunds due as a result of payments certified by the State office will be determined from records of the cases as filed in the State office and the listings of indebtedness prepared in connection therewith.

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<sup>8/</sup> The information shown on Form No. C-1110 eliminates the necessity for the use of Form ACP-30, "Notice of Indebtedness to the Agricultural Adjustment Administration", which was used in connection with set-offs under the 1936 Agricultural Conservation Program. See Section I of SRC-3



4. Where, in preparing Form No. C-1110, it was known that a person had farms in more than one county, all of the necessary information concerning the indebtedness was listed in the county wherein the debt arose and cross-references to the debt were entered in the other counties. If the person was indebted by reason of payments made to him in two or more counties, the amount due on account of each payment was listed in the county wherein the debt arose and cross-references were entered opposite his name. Additional cross-references should be entered on the basis of any additional information which may be secured as outlined in Section C, supra.

5. The various listings of indebtedness referred to in this Part I shall be compared and cross-references entered thereon where it is found that a person is indebted by reason of two or more overpayments.

#### E. PRIORITY OF DEBTS

1. The debts of persons arising out of their failure to return a properly executed Form No. C.A.P. 3, "Receipt For and Report of Distribution of Cotton Price Adjustment Payment", (hereinafter referred to as "CAP-3 cases" as distinguished from overpayments made to applicants under the 1935 Cotton Price Adjustment Payment Plan)<sup>9/</sup> shall first be set-off against any amounts which may be payable to the debtor-applicant.

2. The debts of a person to the Agricultural Adjustment Administration shall have priority over the debts of the person which are owed to independent agencies, bureaus, or departments other than the Agricultural Adjustment Administration, and all debts owing to the Farm Security Administration shall have priority over all debts other than the Agricultural Adjustment Administration.

3. The debts of a person owed as a result of payments under the 1935 Cotton Price Adjustment Payment Plan, the Ginners Compensation, or the 1936 or 1937 Agricultural Conservation Programs shall have priority over all debts owing to the Agricultural Adjustment Administration other than CAP-3 cases.

4. If the amount of the indebtedness of a person under rental and benefit contracts is to be credited to different appropriations, the amount to be credited to each appropriation will appear in Form No. C-1110. If the amount of overpayment was disbursed under different Disbursing Office voucher numbers, the amount disbursed under each will appear. In cases where the amount of the indebtedness has been broken down by voucher numbers or appropriations, or both, and the amount of the payment due the debtor-applicant is less than the total indebtedness, the debts shall be credited in the order in which they appear on Form No. C-1110.

#### F. SUSPENSION OF APPLICATIONS EXECUTED BY INDEBTED PERSONS

1. When it is determined as provided in this Part I that a person is indebted, the application shall be suspended to the Remittance

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<sup>9/</sup> See General C.A.P. Letter No. 13, issued June 4, 1937.



Clerk in order that it may be scheduled and vouchered without regard to applications executed by persons who are not indebted.

2. If the amount owed by the debtor-applicant is ten cents (\$0.10) or less, the indebtedness shall be disregarded and the application shall not be suspended as provided in paragraph 1, supra.

PART II APPLICANT INDEBTED TO AGRICULTURAL ADJUSTMENT  
ADMINISTRATION

A. UNDER RENTAL AND BENEFIT CONTRACTS

1. When any application has been suspended to the Remittance Clerk because one or more of the interested persons is indebted to the Agricultural Adjustment Administration under rental and benefit contracts, and the identity of the debtor-applicant with respect to the debt, and the amount of such indebtedness, are readily ascertainable, 9a/ the application shall be audited in the manner prescribed in SRP-37 and vouchered and scheduled for payment as provided in this Section A.

2. Form CAP-108, "Public Voucher For 1937 Cotton Price Adjustment Payments - Continuation Sheet", shall be prepared in sextuple (original and five copies) as described in SRP-37, Part VII, except that:

a. Insert words "For Comptroller, AAA" in the space above the heading of the third copy.

b. If the payment exceeds the debt, enter the application serial number in column (a) and the name and address of the debtor-applicant in column (b) as outlined in SRP-37, Part VII. Enter in column (c) the net amount due the debtor-applicant. This will be the payment computed for the applicant on Form CAP-103, Revised, less the amount of the refund due. 10/

c. On the line succeeding the entries made in accordance with sub-paragraph b., of this paragraph 2, enter 11/

(1) in column (a), the application serial number;

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9a/ See Part I, Section C, supra.

10/ The amount of the refund due is shown in the last column of Form No. C-1110. Also see Part I, Section D, supra.

11/ If the amount to be set-off is to be credited to different appropriations, or the amount of the overpayment was disbursed under different Disbursing Office voucher numbers, or both, there must be separate successive entries for each item in the total indebtedness showing the application serial number; the abbreviation "Treas. U.S." followed by the symbol and title of the appropriation to be credited and the name of the debtor-applicant; the amount being set-off and the schedule number of Standard Form No. 1096. See also Part I, Sections D and E, supra.



(2) in column (b), the abbreviation "Treas., U.S." followed by the symbol and title of the appropriation to be credited 12/ and the name of the debtor-applicant;

(3) in column (c), the amount being set-off; and

(4) in column (d), the schedule number of the related Standard Form No. 1096, "Schedule or Voucher Deductions". 13/

d. If the amount of the indebtedness equals or exceeds the payment due the debtor-applicant, sub-paragraph b., this paragraph 2, is not applicable and only the procedure outlined in sub-paragraph c., e., and f., of this paragraph 2 shall be followed.

e. Voucher the amounts due the applicants who are not indebted, if any, on the same Form CAP-108 as outlined in SRP-37, Part VII.

f. Enter the total of the voucher, which shall include the amount of the deductions, in the usual manner.

3. Form CAP-109, "Public Voucher For 1937 Cotton Price Adjustment Payments", shall be prepared in quadruplicate (original and three copies) in accordance with the procedure outlined in SRP-37, Part VII, except that:

a. The total number of payees, counting the Treasurer of the United States as one payee regardless of the number of deductions covered by the voucher, followed by the word "Payee" shall be entered after the words "To: Persons named on attached continuation sheet (payees)". 14/

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12/ The symbol and title of the appropriation shall be determined from the code entered in the sixth column of Form No. C-1110.

13/ See paragraph 6a., infra.

14/ In the event the debtor-applicant alone is covered by the voucher and the amount owed exceeds the amount of the payment so that the only check to be drawn will be payable to the Treasurer of the United States, the name of the debtor-applicant followed by the words "Check to be drawn to Treas. U.S., account of indebtedness to U.S." should be entered in lieu of this information.



b. The words "Applicant(s) \$" followed by the amount of the payments approved to the applicants covered by the voucher (not including the amount of the deductions) should be entered in the blank space in the lower left corner of the certificate of the Certifying Officer. Beneath this entry, the abbreviation "Treas. U. S. \$" followed by the amount of the deductions on account of indebtedness should be entered. Beneath these insertions, the word "Total \$" followed by the sum of the two foregoing entries should be entered.<sup>15/</sup> This total must agree with the amount entered in the certification on the voucher.

4. Standard Form No. 1064, "Schedule of Disbursements" should be prepared in accordance with SRP-37, Part VII. The total amount certified for payment on Form CAP-109, including the amounts being set-off, shall be entered on Standard Form No. 1064.

5. Applications executed by persons indebted to the Farm Security Administration shall not be vouchered on Forms CAP-108 and CAP-109 or scheduled on Forms Standard Form No. 1064 with applications executed by persons indebted to the Agricultural Adjustment Administration unless it should develop that the person is indebted to both agencies and the amount of the payment exceeds the amount due the Agricultural Adjustment Administration so that the remainder of the payment may be applied toward the liquidation of the debt to the Farm Security Administration.

6. Standard Form No. 1096 shall be prepared in decuple (original and nine copies) as follows:

a. Enter the schedule number which shall be the next unassigned number in the series adopted at the close of the fiscal year ending June 30, 1938.<sup>16/</sup> This series of numbers shall be used in numerical sequence without regard to whether the deduction is from an Agricultural Conservation Payment, a payment under the Sugar Act of 1937, or a payment under the 1937 Cotton Price Adjustment Payment Plan.

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<sup>15/</sup> The entries should appear:

Applicants \$	_____
Treas. U.S. \$	_____
Total \$	_____

<sup>16/</sup> See paragraph 10 of Budget and Accounting Letter No. 1, dated July 5, 1938.



b. Enter the sheet number which shall be 1, if there is only one sheet; or 1 of 2 sheets, 2 of 2 sheets, etc., if the schedule consists of two or more sheets.

c. Enter the date the schedule is prepared over the word "(Date)".

d. Enter the word "Agriculture" over the words "Department or Establishment".

e. Enter the letters "A.A.A." followed by the name of the State in which the State office is located and the words "State office" over the words "(Bureau or Office)".

f. Enter the words "G. F. Allen, Chief Disbursing Officer" after the words "Made by".

g. Enter the name of the city and State in which the Regional Disbursing Office is located over the word "(Station)".

h. Enter the date the schedule is expected to be taken up by the Regional Disbursing Office after the word "Period".

i. Enter the symbol number furnished by the Regional Disbursing Officer for this purpose after the words "D. O. Symbol No.".

j. No entry shall be made in the column entitled "D. O. Voucher Number".

k. Enter in the column entitled "Bureau or Office Voucher Number", the administrative number(s) of Form(s) CAP-109 covered by one Standard Form No. 1064.

l. Enter in the column entitled "Appropriation and/or Fund to be Credited", the symbol and title of appropriation(s) to be credited 17/ and insert thereafter in parenthesis the name(s) of the debtor(s), the State and county code numbers, and the name(s) of the Commodity contract(s) 18/ out of which the indebtedness arose.

m. Enter in the column entitled "Amount of Deduction" the amount of the deduction to be credited to the appropriation(s).

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17/ See paragraph 2c.(2) of this Section A, supra.

18/ Shown in the third column of Form No. C-1110.



n. Enter in the column entitled "Remarks" the name of the Disbursing Officer 19/ and the Disbursing Office voucher number(s) 20/ by which the overpayment was made.

o. Total the amounts in the column entitled "Amount of Deduction" and enter the result in the column opposite the word "Total"; this total is to be entered only on the last sheet when the schedule consists of more than one sheet.

p. The Certifying Officer should sign his name above the words "(Signature of Approving Officer)"; this signature is to be entered only on the last sheet when the schedule consists of more than one sheet.

7. The forms shall be distributed as follows:

a. Transmit the original and four copies of Standard Form No. 1096, the usual number of copies of Forms CAP-108 21/ and CAP-109 and Standard Form No. 1064 and the applications and related forms to the Preaudit Office of the General Accounting Office in accordance with existing procedure. The third copy of Standard Form No. 1096 shall be stamped "Forward to Records and Accounts Section, AAA, Washington, D. C." This copy must be one of the four copies transmitted to the General Accounting Office.

b. Upon the return of one copy of Form CAP-108 from the Preaudit Office of the General Accounting Office, forward one copy of Standard Form No. 1096 to the Accounting and Bookkeeping Division, General Accounting Office, Washington, D. C., and one copy to the Division of Bookkeeping and Warrants, Treasury Department, Washington, D. C.

c. Upon the return of one copy of Standard Form No. 1096 from the Regional Disbursing Office, transcribe the information appearing thereon under the signature of the Certifying Officer on the three remaining file copies

and

(1) forward one copy to the office of  
Budget and Finance, Department of Agriculture,  
Washington, D. C.;

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- 19/ The name of the Disbursing Officer will be determined from the code entered in the fourth column of Form No. C-1110.
- 20/ Shown in the fifth column of Form No. C-1110. See also Part I, Section E, paragraph 4, supra.
- 21/ Retain in the State office the copy of Form CAP-108, marked "For Comptroller, AAA".



(2) forward one copy, together with the copy of Form CAP-108 marked "For Comptroller, AAA", to the Office of the Comptroller, Agricultural Adjustment Administration, Washington, D. C.

(3) forward the copy returned from the Regional Disbursing Office to the State Accountant;

(4) note on Form No. C-1110 the schedule number of Standard Form No. 1096 to the right of the figure representing the amount owed. Circle the amount originally owed and insert immediately above it the remainder of the indebtedness, if any; 22/

(5) file one copy; and

(6) file the remaining material and forms in accordance with procedure outlined in SRP-37

B. UNDER RENTAL AND BENEFIT CONTRACTS AND PAYMENT DISALLOWED ON FORM CAP-107, "NOTICE OF PAYMENT DISALLOWANCE, 1937 COTTON PRICE ADJUSTMENT PAYMENT PLAN."

1. When any person(s) interested in an application is indebted to the Agricultural Adjustment Administration under rental and benefit contracts and the identity of the debtor-applicant(s) with respect to the debt has not been ascertained, the amounts due other persons interested in the application who are not indebted shall be scheduled and vouchered for payment by the Scheduling Unit in the manner outlined in SRP-37, Part VII. Form CAP-107, "Notice of Payment Disallowance, 1937 Cotton Price Adjustment Payment Plan", will have been executed by the Suspension Unit and distributed in accordance with the provisions of SRP-37, Part VII.

2. When Form CAP-107 has been returned by the county office together with a proper certificate as to the identity of the debtor-applicant, or upon other satisfactory identification, 22a/ and such Form CAP-107 has been received in the office of the Remittance Clerk, the amount due the debtor-applicant as shown on Form CAP-107 shall be scheduled and vouchered for payment in accordance with the provisions of Section A of this Part II, except that Paragraph 2e. thereof is inapplicable. The copy of Form CAP-107 received by the Remittance Clerk shall be attached to the related Forms CAP-108, CAP-109, Standard Form No. 1064 and Standard Form No. 1096. The case should be forwarded to the General Accounting Preaudit Office in the usual manner through the Statistical Unit in accordance with existing procedure. 22b/

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22/ See Part I, Section A, paragraph 3, supra.

22a/ See Part I, Section C, supra.

22b/ If it is found that the person entitled to the disallowed payment is not in fact indebted to the United States, the amount due such person will be scheduled and vouchered for payment in the usual manner by the Scheduling Unit.



C. UNDER PAYMENTS CERTIFIED BY THE STATE OFFICE

1. When any application has been suspended to the Remittance Clerk because one or more of the interested persons is indebted to the Agricultural Adjustment Administration as a result of payments certified by the State Office, 23/ and the identity of the debtor-applicant with respect to the debt, and the amount of such indebtedness, have been ascertained, 23a/ the application shall be audited in the manner prescribed in SRP-37 and vouchered and scheduled for payment as provided in Section A of this Part II, with the following exceptions:

a. Form CAP-108 shall be prepared in quintuple (original and four copies) and no copies thereof shall be marked "For Comptroller, AAA". 24/

b. Standard Form No. 1096 shall be prepared in nonuple (original and eight copies). 25/

c. No copies of Standard Form No. 1096 or Form CAP-108 will be forwarded to the Comptroller. 26/

2. All information relative to the indebtedness must be ascertained from the files of the State office.

3. At the time a set-off is accomplished with respect to any indebtedness arising out of payments certified by the State office, Form ACP-28, "Official Receipt", shall be prepared in duplicate (original and one copy as follows):

a. Insert the words "Set-off" followed by the title of the program under which the overpayment was made above the title; e. g., "Set-Off-1936 Agricultural Conservation Program", or "Set-Off-1935 Cotton Price Adjustment Payment Plan".

b. Make no entry after the words "Name of Remitter".

c. Enter the debtor-applicant's street or box number after the words "Street or Box Number".

d. Enter the name of the town in which the debtor-applicant resides after the words "Post Office".

e. Enter the name of the State in which the debtor-applicant resides after the word "State".

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23/ See Part I, Section A, paragraph 2, supra.

23a/ See Part I, Section C, supra.

24/ See Part II, Section A, paragraph 2a., supra.

25/ See Part II, Section A, paragraph 6, supra.

26/ See Part II, Section A, paragraph 7c., supra.



f. Enter the name of the debtor-applicant after the words "Applicant's Name".

g. Enter the abbreviation "Tr. Ch.", followed by the name of the Disbursing Officer who issued the check out of which the indebtedness arose and the symbol number under which it was issued after the words "Nature of Remittance".

h. Make no entry after the words "Payable to".

i. Strike out the words "1044 Rev." where they appear in the line "Schedule No. of Standard Form 1044 Rev.", and insert immediately above such strikeover the numeral "1096".

j. Enter on the line following the words "Schedule No. of Standard Form 1096" the schedule number of the schedule of voucher deductions whereby the collection was effected.

k. Enter the Disbursing Office Voucher Number under which the overpayment was made after the words "D.O. Voucher No."

l. Make no entry after the words "Receipt No."

m. Enter the State and county code number of the application under which the overpayment was made after the words "State and county code No.".

n. Enter the application serial number by which the overpayment was made after the words "Serial No."

o. Enter the date of the check by which the overpayment was made after the words "Date of Remittance".

p. Enter the serial number of the check by which the overpayment was made after the words "Remittance No."

q. Enter the amount of the overpayment (not the amount of the check by which the overpayment was made) after the words "Amount \$".

r. Enter the "C/D No." appearing on the Standard Form No. 1096 by which the set-off was accomplished after the words "Certificate of Deposit No.".

s. Enter the date of the certificate of deposit as shown on Standard Form No. 1096 after the word "Date".

t. Enter the symbol and title of the appropriation credited by means of the set-off followed by the amount set-off after the words "Fund Credited".

u. Enter the State and county code and application serial numbers of the application under which the payment



against which the set-off was accomplished was due and indicate the program pursuant to which the application was made. 27/

y. If the overpayment was made under a 1937 Agricultural Conservation Application involving a county association expense deduction, two additional copies of Form ACP-28 should be prepared. A notation of the adjustment in the county association expense deduction should be made in the space below the words "Action Taken". 27a/

w. The original of Form ACP-28 should be filed with the application under which the overpayment was made. One copy shall be filed by the Remittance Clerk with regard to the program and State and county code and application serial number under which the overpayment was made.

x. If sub-paragraph y. of this paragraph 3 is applicable

(1) Forward one copy to the Records and Accounts Section, Agricultural Adjustment Administration, Washington, D. C.

(2) Forward one copy to the State Accountant.

4. When a set-off has been made to recover an amount owed to the Agricultural Adjustment Administration as a result of a payment certified by another State office, two additional copies of Standard Form No. 1096 shall be prepared, showing thereon the check number and certificate of deposit number and the dates thereof, and both additional copies

a. forwarded to the Administrative Officer in Charge of the State office in which the debt arose if the State is located within the Southern Region, or

b. forwarded to the Director of the Southern Division if the State office in which the debt arose is not located within the Southern Region.

5. Whenever an indebtedness arising out of a payment certified by the State office has been reported to another State office pursuant to Part I, Section C, paragraph 3 hereof, and copies of Standard Form No. 1096 are received showing that the State office to which the debt was reported has recovered the amount of the debt, or a portion thereof,

a. One copy of Standard Form No. 1096 showing the set-off shall be forwarded to the State Accountant,

27/ If the set-off accomplishes only a partial liquidation of the indebtedness, subsequent set-offs shall be recorded on the same Form ACP-28 by entering in the remaining space under the heading "Action Taken" a description of the Certificate of Deposit Number, the date thereof, the fund credited, the amount set-off, and the application from which the overpayment was recovered.  
27a/ The entry should appear as Follows "Decrease Deduction County Association Expenses \$ \_\_\_\_\_".



b. Form ACP-28 shall be prepared as outlined in paragraph 3 of this Section B, and

c. the other copy of Standard Form No. 1096 shall be filed by the Remittance Clerk.

D. UNDER PAYMENTS CERTIFIED BY THE STATE OFFICE AND PAYMENT DISALLOWED ON FORM CAP-107, "NOTICE OF PAYMENT DISALLOWANCE, 1937 COTTON PRICE ADJUSTMENT PAYMENT PLAN".

1. When any person(s) interested in an application is indebted to the Agricultural Adjustment Administration as the result of payments certified by the State office and the identity of the debtor-applicant(s) with respect to the debt has not been ascertained, the amounts due other persons interested in the application who are not indebted shall be scheduled and vouchered for payment by the Scheduling Unit in the manner outlined in SRP-37, Part VII. Form CAP-107, "Notice of Payment Disallowance 1937 Cotton Price Adjustment Payment Plan", will have been executed and distributed in accordance with the provisions in SRP-37, Part VII.

2. When Form CAP-107 has been returned to the State office by the county office, together with a proper certification as to the identity of the debtor-applicant with respect to the debt, or upon other satisfactory identification, 27b/ and has been received in the office of the Remittance Clerk, the amount due the debtor-applicant shall be scheduled and vouchered for payment in accordance with the provisions of Section C of this Part II. The copy of Form CAP-107 received by the Remittance Clerk shall be attached to the related Forms CAP-108, CAP-109, Standard Form No. 1064 and Standard Form No. 1096. The case should be forwarded to the General Accounting Preaudit Office in the usual manner through the Statistical Unit in accordance with existing procedure. 27c/

E. UNDER CAP-3 CASES

1. Where any application has been suspended because one or more of the interested persons is indebted to the Agricultural Adjustment Administration for the reason that properly executed Forms No. CAP-3 have not been returned, 28/ and the identity of the debtor-applicant(s) with respect to the indebtedness and the amount of such indebtedness are known at the time the application is received by the Remittance Clerk, the application shall be audited in the manner prescribed in SRP-37 and vouchered and scheduled for payment as outlined in Section B of this Part II, except that:

a. Standard Form No. 1096 shall be prepared in decuple (original and nine copies).

b. Prepare Form No. C.A.P. 12, 29/ if the amounts due the various persons having an interest in the cotton

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27b/ See Part I, Section C, supra.

27c/ If it is found that the person entitled to the disallowed payment is not in fact indebted to the United States, the amount due such person will be scheduled and vouchered for payment in the usual manner by the Scheduling Unit.

28/ See Part I, Section E, paragraph 1, supra.

29/ See Form No. C. A. P. 19



price adjustment payment are known. If the amounts due the persons other than the debtor-applicant cannot be ascertained, the entire amount of the check with respect to which Form No. C.A.P. 3 should have been returned shall be set-off and Form No. C.A.P. 12 will not be prepared until the amounts due each have been determined.

c. The material forwarded to the Preaudit Office of the General Accounting Office shall be accompanied by the Ledger Card (either Form No. C.A.P. 6 or Form No. C.A.P. 7) reflecting the account of the debtor-applicant under the 1935 Cotton Price Adjustment Payment Plan and a copy of Form No. C.A.P. 12, if prepared.

d. The Preaudit Office of the General Accounting Office will return the Ledger Card and the copy of Form No. C.A.P. 12, if prepared, indicating that they have altered their charge against the debtor-applicant requiring the return of Form No. C.A.P. 3.

2. Any amounts set-off pursuant to this Section C shall be credited to the trust fund receipt account, "128532, Deposits of Undistributed Cotton Price Adjustment Payments". Upon the return of one copy of Standard Form No. 1096 from the Disbursing Office, the following action shall be taken:

a. Forward one copy of Standard Form No. 1096 to the Director of the Southern Division. This copy shall show the information entered by the Disbursing Officer beneath the signature of the Certifying Officer.

b. The debtor-applicant and the Secretary of the County Agricultural Conservation Association shall be notified by letter that the set-off has been made by reason of the failure of the debtor-applicant to submit a properly executed Form No. C.A.P. 3. The letter also should state that the amount which the debtor-applicant failed to distribute will be paid to the persons entitled to share therein unless the debtor-applicant submits an acceptable Form No. C.A.P. 3 within a reasonable time. The Secretary of the County Agricultural Conservation Association should be requested to make a report on the case.

3. When it is determined to the satisfaction of the Administrative Officer in Charge that the debtor-applicant did not in fact distribute the proceeds of the cotton price adjustment check among the persons entitled to share therein, a claim for the proceeds of the check shall be secured on Form No. CAP-20, "Statement of Interest of Persons Entitled to Share in Cotton Price Adjustment Payment", or a similar statement from the interested persons. It is not necessary that the person who signed the cotton price adjustment payment application (the debtor-applicant) execute Section B of Form CAP-20, nor should his name appear in Section A thereof, unless the entire amount of the payment made to him was recovered pursuant to paragraph 1b. of this Section C, and he was entitled to a share therein.



4. After any of the persons entitled to share in the undistributed cotton price adjustment payment have been located and the amount due each applicant determined, for which a claim has been filed, a request that such amounts be transferred from the trust fund receipt account to the trust fund expenditure account, "12-8532, Undistributed Cotton Price Adjustment Payments, Agricultural Adjustment Administration (Trust Fund)", should be addressed to the Director.

5. After notice of the transfer of funds has been received from the office of the Director, the amounts due the persons entitled to share in the cotton price adjustment payment should be vouchered and scheduled for payment in accordance with the procedure outlined in Form No. C.A.P. 19. The claim of the persons on Form No. CAP-20 or a similar statement should be retained in the files of the State office to substantiate the certification of the payment.

6. In the event the amount recovered through the set-off is less than the amount owed, a pro-rata distribution of the amount recovered shall be made to the persons entitled to share in the payment.

7. In the event the debtor-applicant returns Form No. C.A.P. 3 after the set-off has been made, the amount deducted from the payment due him shall be refunded to him by using Standard Forms Nos. 1047, 1048, and 1064 as outlined in Form No. C.A.P. 19.

8. When a set-off is to be made to recover an amount owed to the Agricultural Adjustment Administration as a result of a CAP-3 case which developed in another State office, the procedure outlined in sub-paragraphs b., c., and d. of paragraph 1 and sub-paragraph b. of paragraph 3 of this Section C shall not be followed. Instead, one additional copy of Standard Form No. 1096 shall be prepared showing thereon the check number and certificate of deposit number and the dates thereof, and

a. forwarded to the Administrative Officer in Charge for the State office in which the case developed if the State is located within the Southern Region, or

b. forwarded to the Director of the Southern Division if the State office in which the case developed is not located within the Southern Region.

9. Whenever possible the full, current address of the debtor-applicant should be set forth in a letter accompanying the Standard Form No. 1096.

10. Whenever an indebtedness arising out of a CAP-3 case has been reported to another State office pursuant to Part I, Section C, paragraph 3 hereof, and a copy of Standard Form No. 1096 is received showing that the State office to which the debt was reported has recovered the amount of the debt, or a portion thereof, the following procedure is applicable:



a. Prepare Form No. C.A.P. 12 if the amounts due the various persons having an interest in the cotton price adjustment payment are known.

b. Forward the copy of the Standard Form No. 1096 to the Preaudit Office of the General Accounting Office, accompanied by the ledger card reflecting the account of the debtor-applicant and a copy of Form No. C.A.P. 12, if prepared.

c. The Preaudit Office of the General Accounting Office will return the ledger card, the copy of Standard Form No. 1096, and the copy of Form No. C.A.P. 12, if prepared, indicating that they have altered the charge against the debtor-applicant requiring the return of Form No. C. A. P. 3.

d. The debtor-applicant should be notified, if his address is known, that the amount which he failed to distribute will be paid to the persons entitled to share therein unless he submits an acceptable Form No. C.A.P. 3, within a reasonable time. The Secretary of the County Agricultural Conservation Committee for the county in which the cotton price adjustment payment was made to the debtor-applicant should also be notified and requested to make a report on the case.

e. A copy of Standard Form No. 1096 should not be forwarded to the State Accountant.

f. The procedure outlined in paragraphs 4, 5, 6, 7, and 8 of this Section C shall then be followed.

F. UNDER CAP-3 CASES AND PAYMENT DISALLOWED ON FORM CAP-107, "NOTICE OF DISALLOWANCE, 1937 COTTON PRICE ADJUSTMENT PAYMENT PLAN".

1. When any application has been suspended because one or more of the interested persons is indebted to the Agricultural Adjustment Administration for the reason that properly executed Forms CAP-3 have not been returned 29a/ and the identity of the applicant(s) with respect to the indebtedness, or the amount of such indebtedness are not readily ascertainable, 29b/ the amount(s) due other person(s) interested in the application who are not indebted shall be scheduled and vouchered for payment by the Scheduling Unit in the manner outlined in SRP-37, Part VII. Form CAP-107, "Notice of Payment, 1937 Cotton Adjustment Payment Plan", will have been executed by the Suspension Unit and distributed in accordance with the provisions of SRP-37, Part VII.

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29a/ See Part I, Section E, paragraph 1, supra.

29b/ See Part I, Section C, supra.



2. When Form CAP-107 has been returned to the State office by the county office, together with a proper certification as to the identity of the debtor-applicant with respect to the debt, or upon other satisfactory identification 29c/ and has been received in the office of the Remittance Clerk, the amount due the debtor-applicant shall be scheduled and vouchered for payment in accordance with the provisions of Section E of this Part II. The copy of Form CAP-107 received by the Remittance Clerk shall be attached to the related Forms CAP-108, CAP-109, Standard Form No. 1064, and Standard Form No. 1096. The schedule and voucher, and all related forms should be routed to the General Accounting Pre-audit Office through the Statistical Unit in accordance with existing procedure. 29d/

PART III. APPLICANT INDEBTED TO INDEPENDENT AGENCIES, BUREAUS, OR DEPARTMENTS OF THE GOVERNMENT OTHER THAN THE AGRICULTURAL ADJUSTMENT ADMINISTRATION OR THE FARM SECURITY ADMINISTRATION

A. DEBTOR-APPLICANT SOLE PARTY HAVING AN INTEREST IN THE APPLICATION

1. When an application has been suspended to the Remittance Clerk because the only person having an interest therein is indebted to an agency, bureau or department of the Government other than the Agricultural Adjustment Administration or the Farm Security Administration, the application shall be examined and approved in the manner outlined in SRP-37, Part VII, except that the words "See ACP-25, Voucher Number \_\_\_\_\_" shall be inserted immediately below the title of Form CAP-103, Revised, "Application For Payment 1937 Cotton Price Adjustment Payment Plan".

2. Forms CAP-108, CAP-109 and Standard Form No. 1064 shall not be prepared.

3. Form ACP-25, "Public Voucher for Agricultural Conservation Payments Subject to Deduction For Claimants Indebtedness", shall be prepared in septuple (original of Form ACP-25a) as follows:

a. Enter the "Bureau Voucher No." which shall be two thousand and one (2001) for the first voucher from each county preceded by the county code number and continue thereafter in numerical sequence for each county until the end of the fiscal year.

b. Enter in the space above the title of the form, by means of a rubber stamp, the following appropriation symbol and title: 12-2100(21)3, Exportation and Domestic Consumption of Agricultural Commodities, Department of Agriculture, (Cotton Price Adjustment) (AAA) (Payments, 1937 Cotton Crop).

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29c/ See Part I, Section C, supra.

29d/ If it is found that the person entitled to the disallowed payment is not in fact indebted to the United States, the amount due such person will be scheduled and vouchered for payment in the usual manner by the Scheduling Unit.



c. Strike over the words "Agricultural Conservation" where they appear in the title of the form and type immediately above such strikeover the words "1937 Cotton Price Adjustment".

d. Strike out the citation to the Domestic Allotment and Soil Conservation Act.

e. Strike out the symbol and title of the 1936 Agricultural Conservation appropriation.

f. Enter the name of the debtor-applicant after the word "Name".

g. Enter the letters "A.A.A." followed by the name of the State office after the word "Office".

h. Enter the street address of the debtor-applicant, i.e., the street or post office box or rural route number, after the word "Address".

i. Enter the address of the State office after the words "Prepared at".

j. Enter the name of the State above the word "(State)", the name of the county above the word "(County)", and the serial number of the debtor's application above the words "(Application serial number)".

k. Enter in column (3) the net amount due the debtor-applicant.

l. Make no entries in columns (1), (2), (4), (5), (6), and (7), or in the block reserved for the General Accounting Office, Preaudit, or in the space after the words "Funds to be Credited".

m. The Certifying Officer should sign after the word "By" and insert the date of his signature after the word "Date" and his title after the word "Title".

4. The application shall be routed to the Preaudit Office of the General Accounting Office through the regular channels (See SRP-37) as follows:

a. Transmit the original and two copies of Form ACP-25 and the application and the related papers to the Preaudit Office of the General Accounting Office.

b. Transmit two copies of Form ACP-25 to the State Accountant.

c. File two copies of Form ACP-25 alphabetically by the name of the debtor-applicant.

d. The Preaudit Office of the General Accounting Office will return one approved copy of Form ACP-25 which should be filed by the "Bureau Voucher No."

e. Upon the receipt of the approval copy of Form ACP-25, transcribe the information appearing thereon in the block for the certificate of the General Accounting Office, Preaudit, on the copies which have been filed alphabetically and forward one of the copies to the "Records and Accounts Section, Agricultural Adjustment Administration, Washington, D. C."

f. The copy of Form AD-42 which is transmitted to the State office should be attached to the copy of Form ACP-25 which has been filed alphabetically, in order that in the event of an inquiry, the debtor-applicant may be advised of the date his application was forwarded to the General Accounting Office, Washington, D. C.

g. Upon the receipt of Form AAA-367, "True Copy of General Accounting Office Certificate of Settlement (Form 39A)".

(1) insert the record of settlement as indicated therein upon the copy of Form ACP-25 which has been filed alphabetically and upon the file copy of the computation schedule;

(2) transmit the copy of Form ACP-25 prepared in accordance with (1), of this subparagraph g. to the State Accountant, together with one copy of Form AAA-367;

(3) file one copy of Form AAA-367 and Form AD-42 with the receipted copy of Form ACP-25 which has been filed by the "Bureau Voucher No."; and

(4) notify the county office by letter of the Certificate of Settlement number (appearing in the upper left corner of Form AAA-367 after the words "Certificate No."), the amount of the payment applied toward the liquidation of the indebtedness, and the amount, if any, paid directly to the debtor-applicant.30/

B. PERSONS OTHER THAN THE DEBTOR-APPLICANT HAVE AN INTEREST IN THE APPLICATION

1. If there are persons other than the debtor-applicant who are shown as interested persons on the application and the application has been suspended to the Remittance Clerk by reason of an indebtedness to

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30/ The county office should include a reference to the Certificate of Settlement number in all subsequent correspondence relative to the case.



an independent agency, department, or bureau of the Government other than the Agricultural Adjustment Administration or the Farm Security Administration, the application shall be examined and approved and the computation schedule prepared in the manner outlined in SRP-37 with the following exceptions:

a. The words "See ACP-25, voucher number \_\_\_\_\_" shall be inserted immediately below the title of form CAP-103, Revised, "Application For Payment 1937 Cotton Price Adjustment Payment Plan".

b. The payments to the applicants who are not indebted shall be vouchered and scheduled on Forms CAP-108, CAP-109 and Standard Form No. 1064 in the manner outlined in SRP-37, Part VII, except that only one application should be vouchered on the same Forms CAP-108, CAP-109 and Standard Form No. 1064.

c. Prepare Form ACP-25 with respect to the payment due the debtor-applicant as outlined in Section A, paragraph 3 of this Part III.

d. Prepare Form ACP-26, "Receipt in Lieu of Form \_\_\_\_\_, 'Application For Payment' and Related Documents, Agricultural Conservation Program" in triplicate (original and two copies) as follows:

(1) Strike out the words "AGRICULTURAL CONSERVATION PROGRAM" where they appear in the title and type or stamp immediately below such strikeover the words "1937 COTTON PRICE ADJUSTMENT PAYMENT PLAN".

(2) Leave the "D. O. Voucher No." blank.

(3) Assign the "Bureau Voucher No." which shall be the same as the "Administrative No." assigned to the Form CAP-109 upon which the amounts due persons shown on the application other than the debtor-applicant have been vouchered.

(4) Enter the form number of the application and the State and County Code and application serial number in the blank space following the word "Form" in the title thereof.

(5) Strike out the words "Agricultural Conservation" where they appear in the printed matter on the form.

(6) Fill in the blank spaces in the printed matter as indicated therein.

(7) Enter the name(s) of the applicant(s) not indebted and the amounts due them in the blank spaces beneath the printed matter.

(8) Do not sign or enter the date.

e. Prepare Form ACP-27, "Facing Sheet For Form 'Application For Payment' and Related Documents, Agricultural Conservation Program" in triplicate (original and two copies) as follows:

(1) Strike out the words "AGRICULTURAL CONSERVATION PROGRAM" where they appear in the title of the form and insert immediately below such strikeover the words "1937 COTTON PRICE ADJUSTMENT PAYMENT PLAN".

(2) Leave the "D. O. Voucher No." blank,

(3) Enter the "Bureau Voucher Number" from the related ACP-26.

(4) Enter the form number of the application and the State and county code and application serial number in the blank space following the word "Form" in title thereof.

(5) Strike out the words "Agricultural Conservation" where they appear in the printed matter on the form.

(6) Fill in the blank spaces in the printed matter as indicated therein.

(7) Enter the name(s) of the applicant(s) not indebted and the amounts due them in the blank spaces beneath the printed matter. 31/

(8) Do not sign or enter the date.

2. The application and related forms shall be distributed as follows:

a. Transmit the application and related forms, the original and two copies of Form ACP-25, the original and one copy of each of Forms ACP-26 and ACP-27, the usual number of copies of Standard Form No. 1064, and Forms CAP-108 and CAP-109 to the Preaudit Office of the General Accounting Office.

b. File one copy of each of Forms ACP-26 and ACP-27 with Form ACP-25 as outlined in Section A, paragraph 4(c) of this Part III and file the remaining material in accordance with existing procedure (See SRP-37).

c. File forms Standard Form 1064, CAP-108, and CAP-109, in accordance with existing procedure.

d. Form ACP-25, Form AAA-367, and Form AD-42 shall be handled as outlined in Section A, paragraph 4 of this Part III.

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31/ This data may be entered on both Forms ACP-26 and ACP-27 in one operation.



2. The application and related forms shall be distributed as follows:

a. Transmit the application and related forms, the original and two copies of Form ACP-25, the original and one copy of each of Forms ACP-26 and ACP-27, the usual number of copies of Forms CAP-108, CAP-109 and Standard Form No. 1064 to the Preaudit Office of the General Accounting Office.

b. File one copy of each of Forms ACP-26 and ACP-27 with Form ACP-25 as outlined in Section A, paragraph 3(c) of this Part III and file the remaining material in accordance with existing procedure (see SRP-37).

c. File Forms CAP-108, CAP-109 and Standard Form No. 1064 in accordance with existing procedure.

d. Form ACP-25, Form AAA-367, and Form AD-42 shall be handled as outlined in Section A, paragraph 4 of this Part III.

C. CASES REMOVED FROM REGISTER OF INDEBTEDNESS SUBSEQUENT TO PREAUDIT CERTIFICATION AND PRIOR TO TRANSMITTAL TO THE CLAIMS DIVISION, GENERAL ACCOUNTING OFFICE

1. Where it is determined subsequent to the preaudit certification by the General Accounting Office that an applicant is no longer indebted under the terms of the Revised Order of the Secretary dated March 5, 1938, and the application and related forms have not been forwarded to the Claims Division of the General Accounting Office, the application, Form ACP-25, and Forms ACP-26 and ACP-27, if prepared, will be returned to the State office by the Office of the Comptroller, Agricultural Adjustment Administration, together with a letter of explanation and the usual number of copies of Form No. C-1110, Supplement A, if notice of the removal of the case from the Register of Indebtedness has not been previously given.

2. If the application and related forms are returned to the State office for the reasons stated in the preceding paragraph, the following procedure is applicable:

a. Prepare Forms CAP-108, CAP-109 and Standard Form No. 1064 in the manner outlined in SRP-37, Part VII.

b. Insert the word "Canceled" on all copies of Form ACP-25 which were retained by the Remittance Clerk.

c. Prepare a memorandum in triplicate addressed to the Chief of Party of the Preaudit Office stating that information which is on file in the State office has been

received from the Comptroller, Agricultural Adjustment Administration, to the effect that a set-off is not to be made against the applicant's payment and that, for this reason, the preaudit approval of Form ACP-25 should be removed.

d. Transmit the application, the attached Form ACP-25, and Forms ACP-26 and ACP-27, if prepared, to the Preaudit Office of the General Accounting Office; together with the original of the memorandum to the Chief of Party and the usual number of copies of Forms CAP-108, CAP-109 and Standard Form No. 1064. (If the State office and the Preaudit Office are located in different cities, Form No. C-1110, Supplement A, must accompany the case to the Preaudit Office where it will be returned to the State office after approval of the new voucher. If both offices are in the same city, the Preaudit Office may occasionally request a copy of Form No. C-1110, Supplement A, for the purpose of verifying the reason for the cancelation of Form ACP-25 previously approved.)

e. Transmit to the State Accountant a signed copy of the memorandum to the Chief of Party and file the remaining copy thereof with the "canceled" copies of Form ACP-25.

f. A memorandum, stating the name of the debtor-applicant and the bureau voucher number of the "canceled" Form No. ACP-25, should be transmitted to the Chief, Records and Accounts Section, Agricultural Adjustment Administration, Washington, D. C., advising that the payment due the debtor-applicant is now being scheduled in the regular manner and that the copy of Form ACP-25 previously transmitted may be disregarded.

g. If Forms ACP-26 and ACP-27 were prepared, the Preaudit Office of the General Accounting Office will take the action necessary to adjust the cross references on the voucher.

D. REQUESTS ON FORMS AAA-372 BY APPLICANTS WHO ARE INDEBTED TO THE FARM CREDIT ADMINISTRATION OR COMMODITY CREDIT CORPORATION.

1. The amount of the refund due in cases involving the use of Form AAA-372, the debt not being reported on Form No. C-1110 or Form No. C-1110, Supplement A, shall invariably be governed by the amount authorized by the debtor-applicant to be set off.



2. Debts with respect to which Form AAA-372 has been signed by the debtor-applicant may not appear on Form No. C-1110 or Form No. C-1110, Supplement A. If the debt has been reported on Form No. C-1110 or Form No. C-1110, Supplement A, Form AAA-372 shall be disregarded, provided that Form No. C-1110 or Form No. C-1110, Supplement A, and Form AAA-372 were prepared and submitted with respect to the same debt. If a debt is reported on Form No. C-1110, or Form No. C-1110, Supplement A, and Form AAA-372 has been executed by a debtor-applicant in connection with a different debt, the debt listed on Form No. C-1110, or Form No. C-1110, Supplement A, shall be given priority. Form AAA-372 signed by the debtor-applicant and certified by a member of the County Committee, shall be sufficient authority to set-off the amount stipulated thereon. If Form AAA-372 is signed by the debtor-applicant and not certified by a member of the County Committee, the name of the debtor-applicant shall be entered on the Register of Indebtedness, the amount of the debt being shown as the amount of the deduction authorized, and the form returned to the county for proper certification. A notation to the effect that the case involves the use of Form AAA-372 should be made with respect to such entries.

3. The request, if submitted by the debtor-applicant, may be submitted to the County Office for transmittal to the State office with the application, or for separate transmittal if the application has been previously forwarded. The request may be submitted directly to the State office by the creditor agency.

4. The application shall be examined and approved for payment in the manner outlined in SRP-37, Part VII, and scheduled and vouchered for payment subject to deduction in the manner outlined in Sections A or B of this Part III. Form AAA-372, signed by the debtor-applicant and certified by a member of the County Committee, shall accompany the application when forwarded to the Preaudit Office of the General Accounting Office.

#### PART IV. APPLICANT INDEBTED TO THE FARM SECURITY ADMINISTRATION.

##### A. DEBTS COMING WITHIN CONTEMPLATION OF THE REVISED ORDER OF THE SECRETARY DATED MARCH 5, 1938, AND WITH RESPECT TO WHICH FORM NO. C-1110 OR FORM NO. C-1110, SUPPLEMENT A, HAS BEEN RECEIVED.

1. When an applicant is reported on Form No. C-1110 or Form No. C-1110, Supplement A, to be indebted to the Farm Security Administration, and the identity of the applicant with respect to the debt has been ascertained, the application shall be examined and approved for payment in the manner outlined in SRP-37 and scheduled and vouchered for payment subject to deductions as outlined in Part II, Section A, hereof, with the following exceptions:

a. One additional copy of Standard Form No. 1096 shall be prepared. The words "Forward to Regional Director, Farm Security Administration", followed by the address given on Form No. C-1110, Supplement A, must be typed in the heading

of the additional copy of Standard Form No. 1096. It is important that this copy of Standard Form No. 1096 be a strong legible copy, in view of the number of departments through which it must be transmitted. This copy of Standard Form No. 1096 shall be transmitted with the file of the case to the Preaudit Office of the General Accounting Office, from which it will be transmitted to the Disbursing Office. The Disbursing Office will forward this copy of Standard Form No. 1096 to the Regional Director of the Farm Security Administration, whose address appears on the form.

b. Indicate on Standard Form No. 1096 that the fund to be credited is as follows: 128128, Deductions from Agricultural Conservation Payments, Farm Security Administration.

c. The Farm Security Administration Case No., if any, as given on Form No. C-1110, Supplement A, shall be entered in the "Remarks" column of Standard Form No. 1096 as follows: FSA Case No. \_\_\_\_\_. The Farm Security Administration Case No. will take the place of the name of the Disbursing Officer and the Disbursing Office Voucher number, and if there is no case number, the words "FSA Set-Off" shall be entered in the "Remarks" column.

2. Applications executed by persons indebted to the Farm Security Administration shall not be vouchered on Forms CAP-108, and CAP-109, or scheduled on Standard Form No. 1064 with applications executed by persons indebted to the Agricultural Adjustment Administration, unless it should develop that the person is indebted to both agencies and the amount of the payment exceeds the amount due the Agricultural Adjustment Administration, so that the remainder of the payment may be applied toward liquidation of the debt owed to the Farm Security Administration.

B. THE PAYMENTS DISALLOWED ON FORMS CAP-107, "NOTICE OF PAYMENT DISALLOWANCE, 1937 COTTON PRICE ADJUSTMENT PAYMENT PLAN".

1. When an applicant is reported on Form No. C-1110 or Form No. C-1110, Supplement A, to be indebted to the Farm Security Administration, and the identity of the applicant with respect to the debt has not been established, the amounts due other persons interested in the application who are not indebted shall be scheduled and vouchered by the Scheduling Unit in the manner outlined in SRP-37, Part VII. Form CAP-107, "Notice of Payment, 1937 Cotton Price Adjustment Payment Plan", will have been executed by the Suspension Unit and distributed in accordance with the provisions of SRP-37, Part VII.



2. When CAP-107 has been returned to the State office by the county office, together with a proper certification as to the identity of the debtor-applicant with respect to the debt, or upon other satisfactory identification, 31a/ and has been received in the office of the Remittance Clerk, the amount due the debtor-applicant as shown on Form CAP-107 shall be scheduled and vouchered for payment in accordance with the provisions of Section A of this Part IV. Forms CAP-107, CAP-108, CAP-109, Standard Form No. 1064 and Standard Form No. 1096, together with any related papers, shall be routed to the General Accounting Pre-audit Office in accordance with existing procedure. 31b/

C. SET-OFF OF INDEBTEDNESS TO FARM SECURITY ADMINISTRATION PURSUANT TO REQUESTS BY DEBTOR-APPLICANTS ON FORM AAA-372.

1. The amount of the refund in cases involving the use of Form AAA-372, the debt not being reported on Form No. C-1110 or Form No. C-1110, Supplement A, shall invariably be governed by the amount of the deduction authorized by the debtor-applicant.

2. If Form No. C-1110 or Form No. C-1110, Supplement A, has been furnished the State office and there is also furnished a properly executed Form AAA-372, such Form AAA-372 shall be disregarded upon determination of the fact that the Form AAA-372 and Form No. C-1110 or Form No. C-1110, Supplement A, were submitted in connection with the same debt. If a debt is reported on Form No. C-1110, or Form No. C-1110, Supplement A, and Form AAA-372 has been executed by a debtor-applicant in connection with a different debt, the debt listed on Form No. C-1110, or Form No. C-1110, Supplement A, shall be given priority.

3. Upon receipt of Form AAA-372, properly executed, the name of the debtor-applicant should be included on the Register of Indebtedness, the amount of the debt being shown as the amount of the deduction authorized. A notation to the effect that the case involves the use of Form AAA-372 should be made with respect to such entries. Form AAA-372, signed by the debtor-applicant and certified by a member of the County Committee, shall be sufficient authority to set off the amount stipulated thereon.

4. The request, if submitted by the debtor-applicant may be submitted to the County office for transmittal to the State office with the application, or for separate transmittal if the application has been previously forwarded. The request of the debtor-applicant may be submitted directly to the State office by the regional officer of the Farm Security Administration.

5. The application shall be examined and approved for payment in the manner outlined in SRP-37 and scheduled and vouchered for payment subject to deductions as outlined in Part II, Section A, hereof, with the following exceptions:

31a/ See Part I, Section C, supra.

31b/ If it is found that the person entitled to the disallowed payment is not in fact indebted to the United States, the amount due such person will be scheduled and vouchered for payment in the usual manner by the Scheduling Unit.

a. Form CAP-108, "Public Voucher For 1937 Cotton Price Adjustment Payments - Continuation Sheet" shall be prepared in quintuple (original and four copies). The number of copies ordinarily required is reduced, inasmuch as no copy shall be furnished the Office of the Comptroller, Agricultural Adjustment Administration, the records of that office not being affected thereby.

b. Standard Form No. 1096 shall be prepared in nonuple (original and eight copies). The number of copies ordinarily required is reduced, inasmuch as no copy shall be furnished the Office of the Comptroller, Agricultural Adjustment Administration, the records of that office not being affected thereby. In the heading of one copy of Standard Form No. 1096 shall be entered the words "Forward to Regional Director, Farm Security Administration", followed by the address of such Regional Director, which will appear on Form AAA-372.

c. Indicate on Standard Form No. 1096 that the fund to be credited is as follows: 128128, Deductions for Agricultural Conservation Payments, Farm Security Administration.

d. Attach Form AAA-372 to the application forwarded to the Preaudit Office of the General Accounting Office.

D. CASES INVOLVING USE OF FORM AAA-372 AND PAYMENT DISALLOWED ON FORMS CAP-107, "NOTICE OF PAYMENT DISALLOWANCE, 1937 COTTON PRICE ADJUSTMENT PAYMENT PLAN".

1. If Form AAA-372 is signed by the debtor-applicant and not certified by a member of the county committee, or in any other respect the form has been improperly executed, the name of the debtor-applicant shall be entered on the Register of Indebtedness, the amount of the debt being shown as the amount of the deduction authorized.

2. Any amounts due other persons interested in the application who are not indebted shall be scheduled and vouchered for payment in the usual manner by the Scheduling Unit. Form CAP-107 will have been executed and distributed in accordance with the provisions of SRP-37, Part VII.

3. Upon return to the State office by the county office of Form CAP-107, together with Form AAA-372, properly certified, or upon other correction thereof, such form will be received in the office of the Remittance Clerk from the Suspension Unit.

4. The amount due the debtor-applicant, as shown on Form CAP-107, shall be scheduled and vouchered for payment in accordance with the provisions of Section A of this Part IV. Forms AAA-372, CAP-107, CAP-108, CAP-109, Standard Form No. 1064 and Standard Form No. 1096 shall be routed to the General Accounting Preaudit Office, together with any related documents, in accordance with existing procedure.



PART V. APPLICANT INDEBTED TO TWO OR MORE INDEPENDENT AGENCIES,  
BUREAUS, OR DEPARTMENTS OF THE GOVERNMENT

A. TO AGRICULTURAL ADJUSTMENT ADMINISTRATION AND ONE OR MORE AGENCIES,  
BUREAUS, OR DEPARTMENTS OTHER THAN THE FARM SECURITY ADMINISTRATION

1. When it is indicated that an applicant is indebted to the Agricultural Adjustment Administration as well as to independent agencies, bureaus, or departments of the Government other than the Farm Security Administration and the amount of the payment due the debtor-applicant is less than or equal to the amount owed to the Agricultural Adjustment Administration, the amount due the Agricultural Adjustment Administration shall be set-off without regard to the other debts of the applicant.<sup>32/</sup>

2. Where the amount of the payment due the debtor-applicant is in excess of the amount owed by him to the Agricultural Adjustment Administration under rental and benefit contracts and he is also indebted to other agencies, bureaus, or departments of the Government other than the Farm Security Administration, the procedure outlined in Part III hereof is applicable.

3. If the amount of the payment due the debtor-applicant is in excess of the amount owed by him to the Agricultural Adjustment Administration under a CAP-3 case, the 1935 Cotton Price Adjustment Payment Plan, the Ginner's Compensation, or the 1936 or 1937 Agricultural Conservation Programs and he is also indebted to other agencies, bureaus, or departments of the Government other than the Farm Security Administration, the procedure outlined in Part III hereof is applicable with the following exceptions:

a. An administrative report on Form AD-42 shall be prepared in sextuple (original and five copies) in the following general form:

AD-42

UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF BUDGET AND FINANCE  
WASHINGTON, D. C.

Date

General Accounting Office  
Claims Division.

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<sup>32/</sup> See Part I, Section E, supra.

The accompanying account of John Doe, \_\_\_\_\_ Street,  
\_\_\_\_\_, application serial number \_\_\_\_\_ 33/  
has received administrative examination in this department  
and is transmitted to you for settlement.

Amount claimed 34/ \_\_\_\_\_ \$200.00  
Difference explained below  
Approved for \_\_\_\_\_

Appropriation chargeable: 12-2100(21)3 "Exportation and  
Domestic Consumption of Agricultural Commodities, Department  
of Agriculture, (Cotton Price Adjustment)(AAA) (Payments,  
1937 Cotton Crop).

According to the records of the \_\_\_\_\_ State Office,  
Southern Division, Agricultural Adjustment Administration,  
there is due the above named applicant a net 1937 Cotton  
Price Adjustment Payment in the amount of \$200.00 and there  
is no reason why payment should not be made except as it appears  
from the attached continuation sheet.

Respectfully,

Acting Director of Finance.

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The full name and address of the Administrative Officer in  
Charge should be entered on all copies of Form AD-42 and he  
should initial all copies beneath the words "Acting Director  
of Finance". The name, title, and initials of the Adminis-  
trative Officer in Charge shall not appear on the original of  
Form AD-42.

b. An additional report should be prepared on bond  
paper (without the printed letterhead) in sextuple (original  
and five copies) in the following general form:

John Doe, \_\_\_\_\_ Street, \_\_\_\_\_,  
an applicant under 1936 Agricultural Conservation Program,  
application number \_\_\_\_\_, is indebted to the Agri-  
cultural Adjustment Administration in the amount of \$20.00

33/ The complete address of the debtor-applicant should be given and  
the application serial number should include the State and county  
code number.

34/ The amount claimed is the amount of payment approved for the appli-  
cant and entered in column (3) of Form ACP-25 (See Part III, Section  
A, paragraph 3i., supra)



for the reason that the amount of \$300.00 paid to him by check number \_\_\_\_\_, dated \_\_\_\_\_, drawn by G. F. Allen, symbol number \_\_\_\_\_, under D. O. Voucher Number \_\_\_\_\_, out of appropriation 126/72215(21)2, Conservation and Use of Agricultural Land Resources, Department of Agriculture, 1936-37 (Payments, AAA), included therein in the amount of \$80.00 in payment of 40 acres of approved soil-building practices, designated as practice No. 2, at the rate of \$2.00 per acre, whereas the payment with respect to the said practices should have been \$60.00 computed at the rate of \$1.50 per acre. It is requested that a sufficient amount of the payment certified in the accompanying AD-42 be used to liquidate the indebtedness of \$20.00 and that the amount thereof be credited to the appropriation as indicated.35/

c. The original and four copies of Form AD-42 and the related statement, if any, prepared as provided in subparagraph b., of this paragraph 3, will accompany the material forwarded to the General Accounting Office.36/

d. Attach the remaining copy of Form AD-42 and the related statement to the copy of Form ACP-25 which has been filed alphabetically.37/

B. TO FARM SECURITY ADMINISTRATION AND ONE OR MORE AGENCIES, BUREAUS, OR DEPARTMENTS OTHER THAN THE AGRICULTURAL ADJUSTMENT ADMINISTRATION

1. When an application is suspended to the Remittance Clerk because an applicant is indebted to the Farm Security Administration as well as to independent agencies, bureaus, or departments of the Government other than the Agricultural Adjustment Administration and the amount of the payment due the debtor-applicant is less than or equal to the amount owed the Farm Security Administration, the amount due the Farm Security Administration shall be set-off without regard to the other debts of the applicant.38/

35/ Form AD-42 and the further statement with respect to the amount owed by the debtor-applicant to the independent agency, bureau, or department of the Government other than the Farm Security Administration will be made by the Comptroller. If the indebtedness to the Agricultural Adjustment Administration arose out of a rental and benefit contract, the entire statement and Form AD-42 will be prepared by the Comptroller.

36/ See Part III, Section A, paragraph 4, and Part III, Section B, paragraph 2, supra.

37/ See Part III, Section A, paragraph 4c., supra.

38/ See Part I, Section E, supra.

2. If the amount of the payment due the debtor-applicant is in excess of the amount owed by him to the Farm Security Administration, the procedure outlined in Part III hereof is applicable.

C. TO AGRICULTURAL ADJUSTMENT ADMINISTRATION AND FARM SECURITY ADMINISTRATION

1. When an application has been suspended to the Remittance Clerk because an applicant is indebted to the Agricultural Adjustment Administration as well as to the Farm Security Administration and the amount of the payment due the debtor-applicant is less than or equal to the amount owed to the Agricultural Adjustment Administration, the amount of the refund due the Agricultural Adjustment Administration shall be recovered without regard to the amount owed to the Farm Security Administration.<sup>39/</sup>

2. If the amount of the payment due the debtor-applicant is in excess of the amount owed by him to the Agricultural Adjustment Administration and if he is also indebted to the Farm Security Administration, the procedure outlined in Part II, hereof, is applicable with the following exceptions:

a. One additional copy of Standard Form No. 1096 shall be prepared. The words "Forward to Regional Director, Farm Security Administration", followed by the address given, on Form No. C-1110, Supplement A, or Form AAA-372, must be typed in the heading of the additional copy of Standard Form No. 1096. This copy shall accompany the file of the case forwarded to the Preaudit Office of the General Accounting Office.<sup>40/</sup>

b. The data relative to the amount owed the Farm Security Administration <sup>41/</sup> shall be set forth on Form CAP-108 <sup>42/</sup> and Standard Form No. 1096 <sup>43/</sup> immediately beneath the data relative to the applicant's indebtedness to the Agricultural Adjustment Administration.

c. If the deduction in liquidation of a debt to the Farm Security Administration is made pursuant to the request of the debtor-applicant on Form AAA-372, such Form AAA-372 shall be attached to the application forwarded to the Preaudit Office of the General Accounting Office.

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<sup>39/</sup> See Part I, Section E, supra.

<sup>40/</sup> See Part IV, Section A, paragraph 1a., supra.

<sup>41/</sup> See Part IV, Section A, paragraph 1b and 1c, supra.

<sup>42/</sup> See Part II, Section A, paragraph 2; Part II, Section B, paragraph 1; and Part II, Section C, paragraph 1, supra.

<sup>43/</sup> See Part II, Section A, paragraph 6, supra.



PART VI. APPLICANT'S INDEBTEDNESS TO BE SET-OFF AFTER THE ISSUANCE OF A CHECK

A. TREASURY CHECK RETURNED BY REASON OF PAYEE'S INDEBTEDNESS TO THE AGRICULTURAL ADJUSTMENT ADMINISTRATION

1. If a check has been issued to an applicant who is reported, after administrative certification of the voucher, to be indebted to the Agricultural Adjustment Administration, the Treasurer of the County Agricultural Conservation Association shall return the check to the Disbursing Office from which it was issued 44/ in order that the check may be canceled in accordance with procedure contained in SRC-102, as amended, 45/ for the reason that the payee is "not entitled" to the proceeds of the check.

2. After cancelation of the check is completed, an adjustment application should be prepared in the State office (the signature of the applicant is not required) and certified for payment in accordance with the procedure outlined in Part II, hereof.

3. The adjustment application will be handled by the Preaudit Office of the General Accounting Office as any other adjustment application and, therefore, the adjustment application should be accompanied by a statement of explanation, including therein the Disbursing Office voucher number under which the original payment was made and the schedule number of the Standard Form No. 1044, Revised, upon which the check was scheduled for cancelation and the certificate of deposit number and the date thereof.

B. THE PAYEE OF A FORGED TREASURY CHECK IS INDEBTED TO THE AGRICULTURAL ADJUSTMENT ADMINISTRATION

1. In certain instances involving forged checks, the Treasurer of the United States will transmit to the State office through the Regional Disbursing Office, a form letter requesting information as to whether any reason exists why the payee should not receive a check in the amount originally certified. The Treasurer will state whether payment has been made by the Treasury Department on the alleged forged check or whether payment of the check was declined by reason of the forgery and this distinction shall be observed carefully in complying with the provisions of the succeeding paragraphs.

2. If the payee of a forged check which was not paid by the Treasury Department has been reported to be indebted to the Agricultural

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44/ See SRC-101, as amended.

45/ If the applicant is reported after administrative certification of the voucher to be indebted to an independent agency, bureau, or department of the Government other than the Agricultural Adjustment Administration, no attempt shall be made to accomplish a set-off. See Part I, Section B, paragraph 3, supra.

Adjustment Administration 46/ and no other reason exists why settlement should not be made to the payee in the amount originally certified, the following procedure is applicable.

a. An undated letter for the signature of the Acting Director of Finance should be prepared in sextuple (original on letter head paper and six copies on regular copy paper) on stationery of the Office of Budget and Finance, Department of Agriculture, and addressed to the Treasurer of the United States, Accounting Division, Washington, D. C. The letter in reply should be in the following form:

UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF BUDGET AND FINANCE  
WASHINGTON, D. C.

Treasurer of the United States,  
Accounting Division,  
Washington, D. C.

Sir:

This is in reply to your letter of \_\_\_\_\_ ( ), 47/ relative to check No. \_\_\_\_\_, dated \_\_\_\_\_, for \$ \_\_\_\_\_, drawn by G. F. Allen, symbol \_\_\_\_\_, to the order of \_\_\_\_\_, payment of which was declined on account of an alleged forged endorsement of the payee's name.

An examination of the records relative to the 1937 Cotton Price Adjustment Application, \_\_\_\_\_, executed by this payee discloses the fact that the amount stated above is due this payee under such application. The records further indicate that this payee is reported to be indebted to the Agricultural Adjustment Administration.

It is requested that the above described check be transmitted to the General Accounting Office in order that proper settlement may be made. An administrative report, relative to the account of this payee, has been prepared by this office and is being transmitted to the General Accounting Office.

Respectfully,

Acting Director of Finance.

46/ Indebtedness to independent agencies, bureaus, or department of the Government other than to the Agricultural Adjustment Administration shall be disregarded. See Part I, Section B. paragraph 3, supra.

47/ Insert the Treasury Department file reference.



The Administrative Officer in Charge should initial all copies with the exception of the first copy and his full name and address should be typed on all copies with the exception of the first copy.

b. Form AD-42 should be prepared in sextuple (original and five copies) in accordance with procedure outlined in Part V, Section A, paragraph 3 hereof if the indebtedness arose out of payments certified by the State office. Form AD-42 will be prepared by the Comptroller if the indebtedness arose out of rental and benefit contracts.

c. The original and five copies (including the one which has not been initialed and from which the name and address of the Administrative Officer have been omitted) of the letter to the Treasurer of the United States and the original and four copies of Form AD-42, if prepared, should be forwarded to the Director of the Southern Division.

d. At the time the letter to the Treasurer of the United States and Form AD-42, if prepared, are sent forward, a notation should be made on the register or listing of indebtedness to indicate the action taken.<sup>48/</sup>

e. File the copy of the letter to the Treasurer of the United States and the copy of Form AD-42, if prepared, which were retained in the State office and the copies thereof returned to the State office alphabetically in order that, in the event of an inquiry, the debtor-applicant may be advised of the action taken.

f. Upon the receipt of Form AAA-367,

(1) insert the certificate of settlement number on the register or listing of indebtedness to the right of the figure representing the amount owed:

(2) circle the figure on the register or listing of indebtedness representing the amount owed and enter the balance due immediately above it;

(3) prepare Form ACP-28 in the manner outlined in Part II, Section B, paragraph 3 hereof, if the indebtedness arose out of a payment certified by the State office;

<sup>48/</sup> See Part I, Section A, paragraph 3, supra.

(4) forward one copy of Form AAA-367 to the State Accountant;

(5) notify the county office by letter of the Certificate of Settlement number, the amount of the check applied toward the liquidation of the indebtedness, and the amount, if any, paid directly to the debtor-applicant;

(6) enter the Bureau Voucher Number under which the check in question was drawn and the Certificate of Settlement number of Form AAA-367 on copies of the letter to the Treasurer of the United States and Form AD-42; and

(7) file one copy of Form AAA-367 with the voucher under which the payment to the debtor-applicant against which the set-off was accomplished was originally certified.

3. If the payee of a forged check which was paid by the Treasury Department and recovered through the endorsers has been reported to be indebted to the Agricultural Adjustment Administration and no other reason exists why settlement should not be made to the payee in the amount originally certified, the following procedure is applicable:

a. If the amount of the check is in excess of the amount owed to the Agricultural Adjustment Administration a letter should be prepared in septuple (original and six copies) as indicated in paragraph 2a., of this Section B, on stationery of the Office of Budget and Finance in the following general form:

UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF BUDGET AND FINANCE  
WASHINGTON, D. C.

Treasurer of the United States,  
Accounting Division,  
Washington, D. C.

Sir:

This is in reply to your letter of \_\_\_\_\_ ( ), 49/  
relative to check No. \_\_\_\_\_, dated \_\_\_\_\_,



for \$ \_\_\_\_\_, drawn by G. F. Allen, symbol \_\_\_\_\_,  
to the order of \_\_\_\_\_,  
the amount of which has been recovered through the endorsers  
because of the forged endorsement of the payee's name.

An examination of the records relative to the 1937 cotton  
price adjustment application, \_\_\_\_\_,  
executed by this payee, discloses the fact that the payee is  
indebted to the United States in the amount of \$ \_\_\_\_\_, by  
reason of an amount paid to him under the 1936 Agricultural  
Conservation application, \_\_\_\_\_, 50/ by \_\_\_\_\_  
\_\_\_\_\_, symbol number \_\_\_\_\_, under D. O.  
Voucher Number \_\_\_\_\_, out of appropriation \_\_\_\_\_  
\_\_\_\_\_.

It appears that settlement should be made with \_\_\_\_\_  
\_\_\_\_\_, in the amount of \$ \_\_\_\_\_, 51/ provided that such  
person has not received the proceeds of the original check,  
and that the amount of \$ \_\_\_\_\_, 52/ should, therefore, be  
deposited to appropriation \_\_\_\_\_, on account of  
the said indebtedness.

It is further requested that this office be notified  
when this action has been taken in order that the records may  
be completed.

Respectfully,

Acting Director of Finance.

b. If the amount of the check is less than or equal to,  
the amount owed to the Agricultural Adjustment Administration,  
the letter shall be prepared as indicated in sub-paragraph a.,  
of this paragraph 3, in the following general form:

- 50/ If the indebtedness arose out of other Agricultural Adjustment Adminis-  
tration programs, the program under which the overpayment was made  
should be appropriately described.
- 51/ Insert the difference between the amount of the check and the amount  
of the indebtedness.
- 52/ Insert the amount of the indebtedness.

UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF BUDGET AND FINANCE  
WASHINGTON, D. C.

Treasurer of the United States,  
Accounting Division,  
Washington, D. C.

Sir:

This is in reply to your letter of \_\_\_\_\_ ( ), 53/  
relative to check No. \_\_\_\_\_, dated \_\_\_\_\_,  
for \$ \_\_\_\_\_, drawn by G. F. Allen, symbol \_\_\_\_\_,  
to the order of \_\_\_\_\_, the amount of which  
has been recovered through the endorsers because of the forged  
endorsement of the payee's name.

An examination of the records relative to the 1937  
cotton price adjustment application \_\_\_\_\_, executed  
by this payee, discloses the fact that the payee is indebted  
to the United States in the amount of \$ \_\_\_\_\_, by reason  
of an amount paid to him under the 1936 agricultural conserva-  
tion application, \_\_\_\_\_, 54/ by \_\_\_\_\_  
\_\_\_\_\_, symbol number \_\_\_\_\_, under D. O. Voucher  
Number \_\_\_\_\_, out of appropriation \_\_\_\_\_.

It appears that the entire proceeds of the above de-  
scribed check should, therefore, be deposited to appropriation  
\_\_\_\_\_ on account of the said indebted-  
ness.

It is further requested that this office be notified  
when this action has been taken in order that the records may  
be completed.

Respectfully,

Acting Director of Finance.

c. The Administrative Officer in Charge should initial  
all copies with the exception of the first copy and his full  
name and address should be typed on all copies with the ex-  
ception of the first copy.

53/ Insert the Treasury Department file reference.

54/ If the indebtedness arose out of other Agricultural Adjustment Admin-  
istration programs, the program under which the overpayment was  
made should be appropriately described.



d. The original and five copies (including the one which has not been initialed and from which the name and address of the Administrative Officer have been omitted) of the letter to the Treasurer of the United States should be forwarded to the Director of the Southern Division.

e. The procedure outlined in sub-paragraphs d., e., and f., of paragraph 2, of this Section B, are applicable except that

(1) there will not be a copy of Form AD-42, and

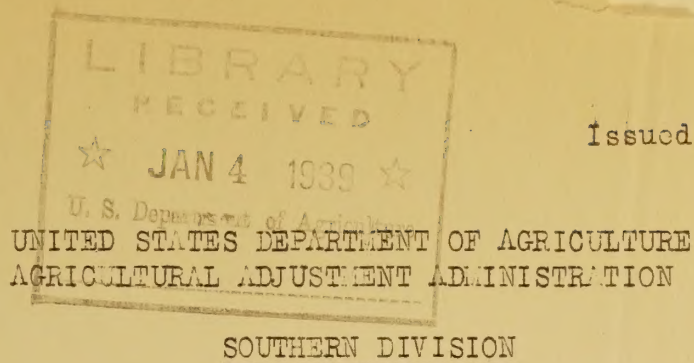
(2) a notice from the Treasury Department will be received in lieu of Form AAA-367.

PART VII. ADJUSTMENT OF ENTRIES ON FORM CAP-103 REVISED  
TO REFLECT DEDUCTIONS MADE IN LIQUIDATION OF DEBTOR  
APPLICANTS' INDEBTEDNESS.

1. If there is an indebtedness to the Agricultural Adjustment Administration or the Farm Security Administration to be set off against a payment due an applicant, the net amount due the debtor-applicant as shown in Column L of Form CAP-103 Revised, or CAP-103a Revised, shall be circled and the amount, if any, to be paid directly to the debtor-applicant shall be entered immediately above the circled entry. The amount payable to the debtor-applicant is the net payment due less the amount of the deduction made in liquidation of the debtor-applicant's indebtedness.

2. If the indebtedness to be set off is owed to the Agricultural Adjustment Administration or the Farm Security Administration, there shall be entered in Column A of the next available space on Form CAP-103 Revised, or CAP-103a Revised, the words, "Treas., U. S. - 1096 Sch. No. \_\_\_\_\_". The amount to be deducted and paid to the Treasurer shall be entered in Column L.

1.42  
508Src  
SRC-104  
Amendment No. 1



Issued December 20, 1938.

STATE OFFICE PROCEDURE FOR DEDUCTING AMOUNTS DUE  
THE UNITED STATES FROM PAYMENTS UNDER THE 1937  
COTTON PRICE ADJUSTMENT PAYMENT PLAN

1. Part IV, Section A, Paragraph 1(b) of SRC-104 is amended to read as follows:

(b) Indicate on Standard Form No. 1096 that the fund to be credited is as follows: 128128, Deductions, Agricultural Adjustment Program Payments, Farm Security Administration.

2. Part IV, Section C, Paragraph 5(c) of SRC-104 is amended to read as follows:

(c) Indicate on Standard Form No. 1096 that the fund to be credited is as follows: 128128, Deductions, Agricultural Adjustment Program Payments, Farm Security Administration.



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